00853

1987/01/30

REVERVED CONFIDENTIANCY

DATE 21/85

(b) (x(a)(5)

U.S.-PRC Nuclear CopperationirAncement

China exchanged diplomatic notes in Reijing bringing into force the U.S.-PRC agreement for nuclear gooperation)

-- This action was taken following the completion of the required ninety day Congressional review period and the passage of a joint resolution approving the agreement, which the President signed into law on December 16, 1985.

- -- The joint resolution requires the President to make a one-time certification and submit a one-time report to Congress before exports to China under the agreement may begin.
- -- The matters that must be certified are:
 - (1) that the arrangements for exchanges of information and visits called for by the agreement are designed to be effective in ensuring that nuclear exports under the agreement are used solely for intended peaceful purposes;
 - (2) that China is not precluded under Section 129 of the Atomic Energy Act from receiving U.S. nuclear exports; and
 - (3) that the obligation to consider favorably a request to carry out certain activities described in Article 5 (2) of the agreement, such as the reprocessing of material subject to the agreement, does not prejudice the decision of the U.S. to approve or disapprove such a request.
- -- The report to Congress is to provide an updated assessment of China's non-proliferation policies and practices.
- $--\,$ It is our intention to make the certifications required under the joint resolution as soon as we are in a position to do so.
- -- Reaching agreement with the PRC on the arrangements for visits and exchanges of information under Article 8 (2) of the agreement will, of course, be a prerequisite to our ability to satisfy the requirements of the joint resolution.
- -- We have made significant progress on our discussions with the PRC on these arrangements.
- -- I am hopeful that we will be able to reach agreement on these arrangements in the near future.

CONFIDENTIAL

3/14/90

KP ___

. • Drafted: OES/NEP:JEbetino:rab 1/30/87; Ext. 74752

Cleared: OES/NEP:FMcGoldrick

L/N:JSchwartz ACDA/NWC:IGoldman EAP/C:HLevine